

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

BKY No. 15-42460

In re:

Paul Hansmeier,

NOTICE OF SETTLEMENT

Debtor.

To: The United States Trustee, all creditors and other parties in interest.

On or after, June 25, 2019, Randall L. Seaver (“**Trustee**”), in his capacity as the Chapter 7 panel trustee of the Bankruptcy Estate of Paul Hansmeier (“**Estate**”), Paul Hansmeier (“**Debtor**”), and Sandipan Chowdhury, Booth Sweet LLP, Daniel Booth, and Jason Sweet (“**Defendants**”¹) have, or soon will enter into a Settlement Agreement (“**Agreement**”). Trustee, Debtor, and Defendants may be referenced herein collectively as the “**Parties**.” The Agreement resolves all claims asserted in *Paul Hansmeier, Debtor, Plaintiff v. Sandipan Chowdhury and Booth Sweet, LLP, Adv. No. 16-4124 (Adversary Proceeding)*.

On November 18, 2016, the Trustee filed a complaint commencing the Adversary Proceeding seeking to avoid a transfer in the amount of \$71,620.90 by the Debtor to Defendants pursuant to 11 U.S.C. §§ 542, 544, and 548. Whereas judgment was entered against the Defendants and in favor of the Estate and Debtor in the amount of \$71,620.90 (the “**Judgment**”). Following entry of the Judgment, additional sums were ordered payable by the Defendants as a result of certain sanction awards (the “**Sanctions**”).

The parties seek to settle all claims in and arising from the Adversary Proceeding, including the Judgment and Sanctions on the following terms:

1. **Settlement Payment.** Defendants shall pay One Hundred Fifty Thousand Dollars (\$150,000.00) (“**Settlement Funds**”) to the Estate and Paul Hansmeier, each receiving \$75,000, in full satisfaction of the Judgment and Sanctions. The Settlement Funds shall be paid to Trustee via wire transfer on or before June 21, 2019. The Settlement Funds will be wired into the Trustee account for the Estate. Within three days (3) days of the entry of an Order by the Bankruptcy Court approving the Parties’ agreement the Trustee will remit half of the Settlement Funds to Debtor’s designee.

2. **Releases by the Parties.** The Agreement contains standard releases of claims amongst the Parties, with the exception of a right to enforce the terms of the Agreement. The Agreement also provides that the Defendants will stop all litigation activity associated with *AF Holdings, LLC v. Sandipan Chowdhury*, Case No. 12-cv-12105 (D.Mass.), and waive any right to file a proof of claim against the Estate.

3. **Dismissal of Adversary Proceeding.** Upon the Bankruptcy Court’s approval of this Agreement and payment of the Settlement Funds, pursuant to Bankruptcy Rule 7041(a) and

Fed. R. Civ. P. 41(a), the Court may enter an order dismissing the Adversary Proceeding with prejudice. The parties will cooperate in the filing of any documents necessary to effectuate the dismissal. Each party shall be responsible for its own costs and attorneys' fees.

The Trustee believes this settlement is in the best interest of the bankruptcy estate.

OBJECTION: MOTION: HEARING. Under applicable rules, any objection must be in writing, be delivered to the trustee and the United States Trustee, and be filed with the clerk, not later than 12:00 o'clock noon on the day before the above date. If an objection is made or an order is required, the trustee moves the court for such orders as may be necessary and appropriate. If an objection is timely delivered and filed, the court will hold an expedited hearing on the objection with reduced notice of the hearing. The hearing will be scheduled by the trustee with notice by the trustee to the objecting party and the United States Trustee.

Office of the Clerk U.S. Bankruptcy Court 300 South Fourth Street, Suite 301 Minneapolis, MN 55415	Officer of the U.S. Trustee 1015 U.S. Courthouse 300 South Fourth Street Minneapolis, MN 55415	Trustee (see address below)
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Dated: May 31, 2019

/e/ Randall L. Seaver

Randall L. Seaver, Trustee
12400 Portland Avenue South, Suite 132
Burnsville, MN 55337
(952) 890-0888